



United States Department of the Interior

NATIONAL PARK SERVICE

1849 C Street, N.W.
Washington, D.C. 20240



August 20, 2014

Re: **Philadelphia Navy Yard, Building 18, Boiler and Blacksmith Shops, Kitty Hawk Avenue
and South 16th Street, Philadelphia, Pennsylvania**
Project Number: **29281**

Dear

I have concluded my review of your appeal of the decision of Technical Preservation Services (TPS), National Park Service, denying certification of the rehabilitation of the property cited above. The appeal was initiated and conducted in accordance with Department of the Interior regulations (36 CFR Part 67) governing certifications for federal income tax incentives for historic preservation as specified in the Internal Revenue Code. I thank _____ and

_____ for meeting with me in Washington on June 19, 2014, and for providing a detailed account of the project.

After careful review of the complete record for this project, including the additional photographs forwarded by _____ with his email message of July 24, 2014, I have determined that the rehabilitation of Building 18, as now substantially completed, is not consistent with the historic character of the property and the historic district in which it is located, and that the project does not meet Standards 2 and 6 of the Secretary of the Interior's Standards for Rehabilitation (the Standards). Therefore, the denial issued by TPS on May 5, 2014, is hereby affirmed.

Built in 1904, Building 18 was a brick, cross-shaped machine shop. It was enlarged multiple times, with the largest additions on the south side of the original building, one dating from 1940 and 1942 attached to the south side of its western arm (Wing 6), and one from 1942 attached to the end of its southern arm (Wing 5). The entire structure was certified as contributing to the Philadelphia Naval Shipyard Historic District on March 9, 2010. The in-progress rehabilitation was found not to meet the Standards owing to the removal of historic windows in the 1940 and 1942 additions and their replacement with new ones deemed incompatible with the overall character of this "certified historic structure."

The facades of the 1940 and 1942 additions are made up of alternating horizontal bands of solid wall (stucco on the west wing and corrugated steel on the east wing) and continuous ribbon windows. The bold geometry of this configuration creates a powerful composition covering the huge mass of the two wings. In keeping with the property's industrial function, the historic windows were simple steel frames with thick, surface-mounted, corrugated wire glass, and in some cases replacement panels of fiberglass or other materials. Their primary function was to provide light to the cavernous interior volumes of the additions. They were not clear vision glass and they were not weather-tight. However, the proposed post-rehabilitation use for the additions—office space in the multi-floor areas, and parking in the tall machinery and assembly areas of the west wing—dictated the need for weather-tight vision glass in the office areas. Although it would compromise the historic character of a character-defining feature, TPS acceded to the installation of clear glass in the proposed office spaces.

The Part 2—Description of Rehabilitation application proposed the retention, in the Wing 6 addition, of the historic windows and glazing between column lines A4 and A14 on the west facade (approximately 75% of the west facade of Wing 6) and between column lines A10.5 and A14 on the east facade (just the 1942 section)—i.e. the area proposed for covered parking.

In its assessment of the Part 2 application and amendment describing proposed work, TPS had noted that the historic windows in these sections of Building 18 were “character-defining” features. I concur with this assessment. Indeed, I find that it would be impossible to disagree with it. The windows in the World War II era building portions were major elements of both the design and the physical fabric of these massive wings. Moreover, the windows are clearly characteristic of the period and function of Building 18.

In its conditional approval dated November 22, 2013, TPS approved this (undated, but received in this office August 21, 2013) Part 2 application, and the October 13, 2013, amendment, with two stipulated conditions regarding the windows. First, it required that the historic windows be retained in several specific locations in addition to those cited in the Part 2 application. Second, it specified that, in sections where the historic windows were not required to be retained, the replacement windows must match the existing windows except that these new windows could feature clear glazing. This latter condition was set forth because TPS noted that the replacement windows shown in drawings included with the application did not adequately match the historic windows being removed. Consequently, TPS required that drawings be submitted detailing replacement windows that did match the historic ones.

Subsequent information received by TPS showed that the removal and replacement of the historic windows with windows deemed incompatible had already begun, without review or approval of TPS. TPS determined that their loss in some locations and replacement with non-matching windows in others caused the rehabilitation project to contravene Standards 2 and 6 and subsequently revoked the November 22, 2013, conditional approval on May 5, 2014. Standard 2 states: “*The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.*” Standard 6 states: “*Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.*”

Although the changes to the highly visible west and south facades of Wing 6 alone render the overall rehabilitation ineligible for certification, the changes to the less prominent eastern facade of Wing 6 and to all of the facades of Wing 5 exceed even the broader latitude normally accorded to changes in secondary areas of historic buildings. Consequently, I find that the changes to the fenestration of the 1940s wings of Building 18 have severely compromised their historic character sufficient to cause the

overall impact of the rehabilitation on the historic character of the entire building to fail to meet the Standards. Accordingly, I affirm the TPS decision of May 5, 2014.

It is unfortunate that the rehabilitation work, as executed, did not follow the described work in the Part 2 application, or the conditions stipulated by TPS. The regulations state, "*Once a proposed or ongoing project has been approved, substantive changes in the work as described in the application must be brought promptly to the attention of the Secretary by written statement through the SHPO to ensure continued conformance to the Standards . . .*" [36 CFR § 67.6(b)(8)(d)]. During a conference call on January 30, 2014, [redacted] revealed that the windows already being installed at that time had been ordered "months" earlier. The regulations also state: "*Owners are strongly encouraged to submit part 2 of the application prior to undertaking any rehabilitation work. Owners who undertake rehabilitation projects without prior approval from the Secretary do so strictly at their own risk.*" [36 CFR § 67.6(a)(1)]. As it is, the circumstances of the case leave me little choice but to affirm the TPS decision.

As Department of the Interior regulations state, my decision is the final administrative decision with regard to your appeal of the May 5, 2014, denial that TPS issued regarding rehabilitation certification.

Although I have affirmed the previous decision, please note that you have the option of pursuing corrective work that could bring the overall rehabilitation in conformance with the Standards by submitting through the normal application process a Part 2 amendment describing proposed changes.

A copy of this letter will be provided to the Internal Revenue Service. Questions concerning specific tax consequences of this decision or interpretations of the Internal Revenue Code should be addressed to the appropriate office of the Internal Revenue Service.

Sincerely,



John A. Burns, FAIA
Chief Appeals Officer
Cultural Resources

cc: SHPO-PA
IRS